

OCTOBER 19, 1981

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON OCTOBER 19, 1981 AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411, EMPIRE BUILDING, 231 EAST 400 SOUTH, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

MINERAL LEASE APPLICATIONS

OIL, GAS & HYDROCARBON MINERAL LEASE APPLICATIONS - APPROVED JB

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas and Hydrocarbon lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 39546	T43S, R3E, SLM	Kane
Louis R. York	Section 16: All	1280.00 acres
P. O. Box 6825	Section 36: All	
Denver, CO 80206		

Min. Lease Appl. No. 39547	T43S, R4E, SLM	Kane
Louis R. York	Section 2: All	1280.72 acres
P. O. Box 6825	Section 16: All	
Denver, CO 80206		

DUE: \$1.00 (incorrect acreage)

Min. Lease Appl. No. 39548	T44S, R3E, SLM	Kane
Louis R. York	Section 2: All	640.00 acres
P. O. Box 6825		
Denver, CO 80206		

OIL, GAS & HYDROCARBON LEASE APPLICATIONS - REJECTED JB

Upon recommendation of Mr. Blake, the Director rejected the Oil, Gas, and Hydrocarbon lease application listed below and ordered a refund of the advance rentals to the applicant. The filing fees are forfeited to the State of Utah.

Min. Lease Appl. No. 39545	T44S, R2E, SLM	Kane
Louis R. York	Section 2: All	640.00 acres
P. O. Box 6825		
Denver, CO 802096		

REJECTED: Conflict with ML 37565

REFUND: \$640.00

OIL, GAS & HYDROCARBON SPECIAL LEASE APPLICATIONS - APPROVED JB

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas & Hydrocarbon Special Lease Application listed below at a rental of \$1 00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The application has been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. Also, the following is a Special Lease Application filed for on Division of Parks & Recreation lands. It has been approved with the following special stipulations:

OCTOBER 19, 1981

OIL, GAS & HYDROCARBON SPECIAL LEASE APPLICATIONS - APPROVED (continued)

SPECIAL STIPULATIONS:

1. This lease is issued on the condition of "non-occupancy". That is, no oil, gas and hydrocarbon industry activity will occur on the surface. This lease is to be only a land-blocking type lease.
2. Consent does not constitute a waiver of the right of the Division of Parks & Recreation to receive damage payments for surface disturbance by the Lessee.
3. If the mineral lessee plans to develop the lease, a plan of operations will be submitted to the Division of Parks & Recreation and the Division of State Lands for consideration at least 60 days prior to commencement of operations. Said plan will include the time of year field activity will take place.
4. The Division of Parks & Recreation and the Division of State Lands will review the plan of development and recommend measures to minimize damage to the land surface resources.
5. A bond for the use and benefit of the Division of Parks & Recreation and the Division of State Lands may be required prior to activation of the approved development plan.

Spec. Lease Appl. No. 536 Cities Service Company P. O. Box 300 Tulsa, OK 74102	<u>T36S, R22E, SLM</u> Section 27: Beg E 760' & N 775' of the W quarter cor, th N 545' th E 560', th S 307', th W 66', th S 238', th W 494' to pob.	San Juan 6.65 acres
---	---	------------------------

METALLIFEROUS MINERAL LEASE APPLICATIONS - APPROVED *JB*

Upon recommendation of Mr. Blake, the Director approved the Metalliferous Minerals lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 39544 Karl W. Blomquist 2452 Oakcrest Drive Palm Springs, CA 92262	<u>T16S, R9E, SLM</u> Section 2: All <u>T15S, R9E, SLM</u> Section 36: All	Emery & Carbon 1278.40
--	---	---------------------------

CREDIT: \$1.00 (incorrect acreage)

Min. Lease Appl. No. 39549 Ashrock, Inc. 600 West 200 South Pleasant Grove, UT 84062	<u>T6S, R22E, SLM</u> Section 15: $N\frac{1}{2}N\frac{1}{2}$	Uintah 160.00 acres
---	---	------------------------

Min. Lease Appl. No. 39550 John B. Hite N. 9516 Division Street Suite B Spokane, WA 99218	<u>T27S, R9W, SLM</u> Section 16: $NE\frac{1}{4}NE\frac{1}{4}$, $NW\frac{1}{4}NW\frac{1}{4}$ $S\frac{1}{2}N\frac{1}{2}$, $S\frac{1}{2}$	Beaver 560.00 acres
---	---	------------------------

OCTOBER 19, 1981

GEMSTONE LEASE APPLICATION - APPROVED JB

Upon recommendation of Mr. Blake, the Director approved the Gemstone lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The application has been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 39551	T8S, R2W, SLM	Utah
Ramona Sandberg	Section 27: S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{2}$ SE $\frac{1}{4}$	120.00 acres
617 Taylor lane, #B		
Salt Lake City, UT 84107		

MLA'S 39287, 39534, SAND & GRAVEL JB

The above numbered applications for sand and gravel leases were reviewed in the field with the District Land Specialist. Upon recommendation of Mr. Blake, the Director approved the following actions taken on these sand & gravel lease applications:

ML 39287 - REJECTED	T15S, R5W, SLM	Millard
Nielson's Inc.	Section 23: N $\frac{1}{2}$ NE $\frac{1}{4}$	80.00 acres
P. O. Box 1660		
22419 County Road "G"		
Cortez, CO		

This land has greater potential surface value. This application is rejected and the advance rentals of \$80.00 will be refunded to the applicant. A \$10.00 filing fee is forfeited to the State.

ML 39534 - APPROVED	T15S, R5W, SLM	Millard
Valley Asphalt, Inc.	Section 26: E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$	240.00 acres
7434 Del Monte Road		
Spanish Fork, UT 84660		

This land presently yields a small income from grazing and has unlikely potential for greater surface development in the near future. This application is approved for 240.00 acres as described above, (applicant applied for only 200 acres, i.e., E $\frac{1}{2}$ NW $\frac{1}{4}$, and NE $\frac{1}{4}$, but the lease should not contain a subdivided quarter-quarter section), and bill the applicant \$40.00 for additional rentals. This should be a five year lease with minimum production royalty at 25¢/c.y.

ACCEPTANCE OF BOND, ML 22168 OG&H (TAR SANDS) JB

Western Tar Sands has submitted an escrow agreement to serve as performance bond on mining operations to be conducted under the above numbered mineral lease. The escrow fund is deposited with First Interstate Bank and is in the name of the Utah Board of State Lands. This fund is in the amount of \$64,500, (\$63,950.63, U.S. Treasury notes, present market value, and \$549.37 cash). It is understood that the fund is accessible only to the Utah Board of State Lands, and that no encumbrances not authorized by the Utah Board of State Lands may be placed upon the account.

This escrow agreement will serve as adequate bond, and upon recommendation of Mr. Blake, the Director accepted the above captioned bond.

OCTOBER 19, 1981

CANCELLATION OF ML 988 *JB*

The above numbered mineral lease provides that the Lessor may readjust terms and conditions of the lease at the end of each 20 year period succeeding the first day of the year in which the lease was issued. The lease was issued November 19, 1941. Lessee was notified by registered mail of Lessor's requirements in readjustment and given 30 days in which to execute an amended lease agreement to become effective on January 1, 1982.

Lessee has failed to comply with Lessor's request for readjustment and upon recommendation of Mr. Blake, the Director approved the cancellation of this lease, effective January 1, 1982. Lessee has been notified by registered mail of this intended action.

ASSIGNMENT OF MINERAL LEASES *WP*

TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Amarex, Inc., 15 North Robinson, Suite 900, Oklahoma City, Okla. 73102 by William D. Hewit who reserves 5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: William D. Hewit

ML 36212....T41S, R7W, SLM. Sec. 2: All Kane
637.64 acres

ML 38577....T39S, R6W, SLM. Sec. 36: All Kane
640.00 acres

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to Tipperary Oil and Gas Corporation, P.O. Box 3179, Midland, Texas 79702 by Patricia V. Kendell. No override.

LEASE OWNERSHIP: Patricia V. Kendell

ML 37350....T27S, R3E, SLM., Sec. 30: S $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ Wayne
Sec. 31: W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, 284.64 acres
E $\frac{1}{2}$ E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$,
SE $\frac{1}{4}$ NW $\frac{1}{4}$, and beg. at the
NE cor. of the SE $\frac{1}{4}$ NW $\frac{1}{4}$,
th run. W 20 rods. th N
80 rods, th E 20 rods, th
S 80 rods to the pob.
T28S, R3E, SLM. Sec. 16: SW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 18: W $\frac{1}{2}$ SW $\frac{1}{4}$

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil Gas and Hydrocarbon lease listed below to Doris Belnap, 1466 Indian Hills Drive, SLC, Utah 84108 by Texas International Petroleum Corp. No override, but subject to 27.5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Texas International Petroleum Corp.

ML 27898....T17S, R7E, SLM. Sec. 36: All Emery
640.00 acres

OCTOBER 19, 1981

TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES (continued)

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to McVey Energy, Inc., 11855 Swadley Dr., Lakewood, Colorado 80215 by Twin Creek Exploration Co., Inc. who reserves 3% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Twin Creek Exploration Co. Inc.

ML 38519....T21S, R10E, SLM. Sec. 2:	Lots 1,2,3,4,5,6,7, 8,9,10,11,12, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$	Emery	1511.60 ac.
Sec. 36:	All		
ML 38520....T22S, R10E, SLM. Sec. 2:	Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$	Emery	1279.76 ac.
Sec. 36:	All		
ML 38521....T22S, R11E, SLM. Sec. 2:	Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$	Emery	639.96 acres
ML 38522....T22S, R12E, SLM. Sec. 2:	Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$	Emery	1279.44 ac.
Sec. 16:	All		
ML 38523....T23S, R10E, SLM. Sec. 16:	All	Emery	640.00 acres
ML 38524....T24S, R9E, SLM. Sec. 16:	All	Emery	640.00 acres
ML 38525....T24S, R10E, SLM. Sec. 36:	All	Emery	
T25S, R10E, SLM. Sec. 2:	Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$		1279.92 ac.
ML 38526....T24S, R11E, SLM. Sec. 16:	All	Emery	640.00 acres

INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of a 50% interest in the Oil, Gas and Hydrocarbon leases listed below to Ladd Petroleum Corporation, 830 Denver Club Building, Denver, Colorado 80202 by Patrick Petroleum Corporation of Michigan. No override, but subject to 6.25% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Patrick Petroleum Corp. of Michigan

ML 29958....T39S, R20E, SLM. Sec. 2:	Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$	San Juan	638.32 acres
ML 30652....T37S, R20E, SLM. Sec. 16:	All	San Juan	640.00 acres
ML 30857....T38S, R20E, SLM. Sec. 16:	All	San Juan	640.00 acres
ML 31237....T37S, R20E, SLM. Sec. 2:	All	San Juan	640.40 acres
ML 31251....T37S, R20E, SLM. Sec. 32:	All	San Juan	640.00 acres

OCTOBER 19, 1981

INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES (continued)

Upon recommendation of Mr. Prince, the Director approved the assignment of a 33 1/3% interest in the Oil, Gas and Hydrocarbon leases listed below to Samedan Oil Corporation, 1616 Glenarm Place, Suite 2550, Denver, Colorado 80202 by Getty Oil Company. No override, but subject to 3 1/2% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Getty Oil Company

ML 37787....T27S, R15W, SLM.	Sec. 16: All	Beaver
	Sec. 32: Lots 1,2,3,4, N $\frac{1}{2}$ S $\frac{1}{2}$	1926.03 ac.
	N $\frac{1}{2}$	
	Sec. 36: All	
ML 37789....T26S, R16W, SLM.	Sec. 36: All	Beaver
T26S, R15W, SLM.	Sec. 32: All	1280.00 ac.
ML 37790....T26S, R15W, SLM.	Sec. 2: All	Millard-
	Sec. 16: All	Beaver
	Sec. 36: All	2001.52 ac.
ML 37816....T25S, R15W, SLM.	Sec. 16: All	Millard
	Sec. 32: All	1280.00 ac.

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from base of the Green River formation to the top of the Mancos formation in part of leased lands in the Oil, Gas and Hydrocarbon leases listed below to Coastal 1981 Development Joint Venture, Nine Greenway Plaza, Houston, Texas 77046 by CIG Exploration, Inc. No override.

LEASE OWNERSHIP: Gilman A. Hill
CIG Exploration, Inc. - Operating Rights

ML 3282.....T9S, R21E, SLM.	Sec. 16: N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$	Uintah 120.00 acres
ML 22651....T10S, R22E, SLM.	Sec. 2: Lots 1,2, S $\frac{1}{2}$ NE $\frac{1}{4}$	Uintah 161.47 acres
ML 22935....T9S, R22E, SLM.	Sec. 29: E $\frac{1}{2}$ NW $\frac{1}{4}$	Uintah 80.00 acres
ML 23612....T10S, R21E, SLM.	Sec. 12: N $\frac{1}{2}$ NE $\frac{1}{4}$	Uintah 80.00 acres
ML 23612....T10S, R21E, SLM.	Sec. 1: Lots 1 2, S $\frac{1}{2}$ NE $\frac{1}{4}$	Uintah 165.24 acres

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from base of the Green River formation to the top of the Mancos formation to Coastal 1981 Development Joint Venture, Nine Greenway Plaza, Houston, Texas 77046 by CIG Exploration, Inc. No override.

LEASE OWNERSHIP: Gilman A. Hill
CIG Exploration, Inc. - Operating Rights

ML 3282-A....T9S, R21E, SLM.	Sec. 16: SE $\frac{1}{4}$ SE $\frac{1}{4}$	Uintah 40.00 acres
ML 22935-A...T9S, R22E, SLM.	Sec. 31: W $\frac{1}{2}$ NE $\frac{1}{4}$	Uintah 80.00 acres

OCTOBER 19, 1981

INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES (continued)

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from base of the Green River formation to the top of the Mancos formation to Coastal 1981 Development Joint Venture, Nine Greenway Plaza, Houston, Texas 77046 by CIG Exploration, Inc. No override.

LEASE OWNERSHIP: Gilman A. Hill
CIG Exploration, Inc. - Operating Rights

ML 22974.....T10S, R22E, SLM. Sec. 20: NW $\frac{1}{4}$	Uintah 160.00 acres
U-01530-ST...T9S, R22E, SLM. Sec. 31: NE $\frac{1}{4}$ NE $\frac{1}{4}$	Uintah 40.00 acres
U-01530-A-ST. T9S, R22E. SLM. Sec. 31: SE $\frac{1}{4}$ NE $\frac{1}{4}$	Uintah 40.00 acres

TOTAL ASSIGNMENTS - GEOTHERMAL LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Geothermal leases listed below to Geothermal Power Corp., P.O. Box 1186, Novato, Calif. 94948 by Cecil J. Folmar. No override.

LEASE OWNERSHIP: Cecil J. Folmar

ML 32472.....T26S, R7W, SLM. Sec. 16: All Sec. 32: All	Beaver 1280.00 ac.
ML 36587.....T29S, R14W, SLM. Sec. 2: All	Beaver 727.52 acres

TOTAL ASSIGNMENTS - METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals leases listed below to Martha A. Ahearn, Box 442, Salt Lake City, Utah 84110 by the Estate of Jack M. Ahearn. No override.

LEASE OWNERSHIP: Estate of Jack M. Ahearn

ML 32644.....T21S, R13E, SLM. Sec. 36: All	Emery 640.00 acres
ML 33675.....T23S, R13E, SLM. Sec. 16: W $\frac{1}{2}$	Emery 320.00 acres

RELEASE OF OIL AND GAS BOND

On February 22, 1971, the Director accepted an Oil and Gas drilling bond from Chevron Oil Company to cover their operations under Oil and Gas Lease ML 3037. This bond was in the amount of \$5,000. General Insurance Company of North America, Bond No. 911877, was surety under this bond. Chevron has now submitted a replacement for this bond and have requested that this particular bond be released.

Upon recommendation of Mr. Prince, the Director approved the release of General Insurance Company of North America, Bond No. 911877.

OCTOBER 19, 1981

CORRECTION OF DIRECTOR'S MINUTES OF AUGUST 31, 1981

On August 31, 1981, the minutes state that assignment of ML 37751 was granted to Cities Service Company by Robert Adkins. It has now come to our attention that it should have read that the assignment was of ML 37551 instead of ML 37751.

Upon recommendation of Mr. Prince, the Director approved the above correction.

RELINQUISHMENTS OF METALLIFEROUS MINERALS LEASES

The lessees under the metalliferous minerals leases listed below have filed relinquishments of these leases. These leases should be terminated and the lands should be offered for lease by our simultaneous filing procedures.

ML 37253	Anaconda Copper Company	<u>T15S, R10W, SLM.</u> Section 16:	All	Millard 640.00 acres
ML 28953	Marathon Resources, Inc.	<u>T33S, R25E, SLM.</u> Section 36: <u>T33S, R26E, SLM.</u> Section 32: <u>T34S, R25E, SLM.</u> Section 2: Section 13: Section 24: <u>T34S, R26E, SLM.</u> Section 5:	All All All All NW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$	San Juan 2531.96 acres
ML 28954	Marathon Resources, Inc.	<u>T34S, R25E, SLM.</u> Section 25: Section 35: Section 36: <u>T34S, R26E, SLM.</u> Section 19: Section 30: <u>T35S, R25E, SLM.</u> Section 2:	E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ All W $\frac{1}{2}$ W $\frac{1}{2}$ All	San Juan 2278.40 acres
ML 28955	Marathon Resources, Inc.	<u>T34S, R24E, SLM.</u> Section 36: <u>T34S, R25E, SLM.</u> Section 34: <u>T35S, R24E, SLM.</u> Section 2:	All All W $\frac{1}{2}$ All	San Juan 1600.72 acres
ML 28956	Marathon Resources, Inc.	<u>T35S, R25E, SLM.</u> Section 16: Section 32: Section 36: <u>T36S, R25E, SLM.</u> Section 2:	All All All All	San Juan 2160.36 acres
ML 28958	Marathon Resources, Inc.	<u>T38S, R26E, SLM.</u> Section 16:	All	San Juan 640.00 acres

Upon recommendation of Mr. Prince, the Director approved the relinquishments of the above captioned leases.

OCTOBER 19, 1981

REQUEST FOR APPROVAL OF THE MEADOW CREEK UNIT *EWB*

Natural Gas Corporation of California, operator of the Meadow Creek Unit, has submitted this unit for approval by the State of Utah. The Meadow Creek Unit is located on the southeast flank of the Uinta Basin in Uintah and Grand Counties. This unit contains 24,371.99 acres of which 17,163.08 acres or 70.42 percent are Federal lands, 6,781.03 acres or 27.82 percent are State lands, and 427.88 acres or 1.76 percent are Patented lands. The unit agreement provides that the operator will, within six months after the effective date of the unit, commence the drilling of a well of a depth sufficient to test the upper 200 feet of the Morrison Formation, but not to exceed 9,550 feet. This unit is on the standard unit agreement form and contains all of the necessary State Land provisions.

The following are the State of Utah leases in this unit:

ML 20958	Natural Gas Corporation of California et al
ML 20959	Natural Gas Corporation of California et al
ML 21909	Kerr-McGee Corporation
ML 21924	Natural Gas Corporation of California et al
ML 21925	Natural Gas Corporation of California et al
ML 26678	Natural Gas Corporation of California et al
ML 26679	Natural Gas Corporation of California et al
ML 26861	Natural Gas Corporation of California et al
ML 27458	Natural Gas Corporation of California et al
ML 27716	Nicor Exploration Company et al
ML 36172	American Natural Gas Production Company
ML 38360	Gulf Oil Corporation

Natural Gas Corporation of California has committed its leases to the unit. The remaining lessees have not yet decided whether or not to join the unit.

Upon recommendation of Mr. Bonner, the Director approved the above captioned unit.

APPROVAL OF THE BURR DESERT II UNIT *EWB*

This office has received evidence that the Burr Desert II Unit was approved by the United States Geological Survey on September 30, 1981.

The records of the following leases should be noted to show this approval.

ML 27264	Sohio Petroleum Company
ML 27272	Southland Royalty Company et al
ML 27774	Southland Royalty Company et al
ML 27775	Southland Royalty Company et al

Upon recommendation of Mr. Bonner, the Director approved the above captioned unit.

OCTOBER 19, 1981

REQUEST FOR APPROVAL OF THE KINGS CANYON UNIT *EWB*

Cotton Petroleum Corporation, operator of the Kings Canyon Unit has submitted this unit for approval by the State of Utah. The Kings Canyon Unit is located approximately 45 miles south southwest of Vernal in Uintah County. This unit contains 15,317.14 acres of which 13,408.52 acres or 91.17 percent are Federal lands and 1,908.62 acres or 8.83 percent are State lands. The unit agreement provides that the operator will, within six months after the effective date of the unit, commence the drilling of a well of a depth sufficient to test the upper 600 feet of the Mesaverde formation, but not to exceed 8,300 feet. This unit is on the standard unit agreement form and contains all of the necessary State Land provisions.

The following are the State of Utah leases in this unit:

ML 35717	Enserch Exploration, Inc.
ML 35862	Chorney Oil Company et al
ML 36213	Chorney Oil Company et al

Upon recommendation of Mr. Bonner, the Director approved the above captioned unit.

APPROVAL OF THE RATTLESNAKE CANYON UNIT *EWB*

This office has received evidence that the Rattlesnake Canyon Unit was approved by the United States Geological Survey on May 21, 1981.

The records of the following leases should be noted to show this approval.

ML 27693	Chevron USA, Inc.
ML 27694	Chevron USA, Inc.
ML 27695	Chevron USA, Inc.
ML 27711	Chevron USA, Inc.
ML 27712	Chevron USA, Inc.

Upon recommendation of Mr. Bonner, the Director approved this above captioned unit.

APPROVAL OF THE LOA UNIT *EWB*

This office has received evidence that the Loa Unit was approved by the United States Geological Survey on September 15, 1981.

The records of the following lease should be noted to show this approval.

ML 28232	Mobil-TransOcean Company
----------	--------------------------

Upon recommendation of Mr. Bonner, the Director approved the above captioned unit.

OCTOBER 19, 1981

APPROVAL OF THE SALERATUS UNIT *EWB*

This office has received evidence that the Saleratus Unit was approved by the United States Geological Survey on September 28, 1981.

The records of the following leases should be noted to show this approval.

ML 27902	Southland Royalty Company
ML 27904	Southland Royalty Company
ML 28293	R E. Puckett - 75%
	Dalco Oil Company - 25%
ML 36007	Cities Service Company
ML 37097	Denver Western Petroleum Corporation
ML 37098	Denver Western Petroleum Corporation
ML 39287	SonJa V. McCormick

Upon recommendation of Mr. Bonner, the Director approved the above captioned unit.

TERMINATION OF THE ZEKES HOLE UNIT *EWB*

Tierra Petroleum Corporation, operator of the Zekes Hole Unit, has furnished this office with evidence that this unit was terminated by the United States Geological Survey effective August 28, 1981.

The records of the following oil, gas, and hydrocarbon leases should be noted to show this termination.

ML 34162	Celeste C. Grynberg
ML 38554	Ladd Petroleum Corporation

The terms of these leases are not effected by the termination of this unit.

Upon recommendation of Mr. Bonner, the Director approved the above captioned unit.

SURFACE MATTERS

RIGHTS OF WAY

RIGHT OF WAY No 2256 *MMW*

Coseka Resources (USA) Limited, 2512 E. 1/4 Road , P. O. Box 399, Grand Junction, CO 81501 requests an easement for an access road to drill a well 3696 feet (224 rods) in length and 18 feet wide on the following described State lands:

Township 13 South, Range 24 East, SLB&M
Section 35: SW₄ Uintah County

Township 14 South, Range 24 East, SLB&M
Section 2 W_{1/2}W_{1/2} Uintah County

The initial payment is \$5.00 per rod totaling \$1120.00, plus \$20.00 application fee, totaling \$1140.00; school fund and a \$10.00 fee every third year beginning January 1, 1984.

Upon recommendation of Mr. Wall, the Director approved the above captioned Right of Way.

OCTOBER 19, 1981

RIGHTS OF WAY

RIGHT OF WAY NO. 2225 *pep/ke*

Northwest Pipeline Corp., 315 East 200 South, P. O. Box 1526, Salt Lake City, UT 84110 requests a right of way for a buried 4½" O.D. gas pipeline across the following described State lands:

Township 16 South, Range 24 East, SLB&M
Section 2: N½SW¼SE¼SW¼ Grand County

The initial payment is \$5.50/rod totaling \$1,133.34, plus a \$20.00 application fee, totaling \$1153.34; school fund and a \$10.00 payment every third year beginning January 1, 1984.

Upon recommendation of Mr. Pratt, the Director approved the above captioned Right of Way

RIGHT OF WAY NO. 2226 *pep/ke*

Northwest Pipeline Corp., 315 East 200 South, P. O. Box 1526, Salt Lake City, UT 84110 requests a right of way for a buried 4½" O. D. gas pipeline across the following State Lands:

Township 16 South, Range 25 East, SLB&M
Section 32: S½NW¼NE¼SW¼ Grand County

The initial payment is \$5.50/rod totaling \$733.33, plus a \$20.00 application fee, totaling \$753.33; school fund and a \$10.00 payment every third year beginning January 1, 1984.

Upon recommendation of Mr. Pratt, the Director approved the above captioned Right of Way

RIGHT OF WAY No. 2249 *pep/ke*

Mesa Pipeline Company P. O. Box 5540, Denver, CO 80217 requests an above ground gas pipeline (3" diameter) approximately 3000 feet in length on the following described State lands:

Township 16 South, Range 24 East, SLB&M
Section 2 Grand County

The initial payment is \$10.00/rod totaling \$1212.00, plus a \$20.00 application fee, totaling \$1232.00; school fund and a \$10.00 payment every third year beginning January 1, 1984.

Upon recommendation of Mr. Pratt, the Director approved the above captioned Right of Way

RIGHT OF WAY No. 2250 *pep/ke*

TXO Production Corp., 1800 Lincoln Center Building, Denver, CO 80264 requests an easement for an access road (dirt road) 50' in width, total of 218 rods in length across the following described State lands:

Township 15½ South, Range 26 East, SLB&M
Section 32: SW¼SW¼ Grand County

Township 15½ South, Range 25 East, SLB&M
Section 36: E½ Grand County

OCTOBER 19, 1981

RIGHT OF WAY No. 2250 (continued)

pp/te

The initial payment is \$5.50/rod totaling \$1200.00, plus a \$20.00 application fee, totaling \$1220.00; school fund and a \$10.00 payment every third year beginning January 1, 1984.

Upon recommendation of Mr. Pratt, the Director approved the above captioned Right of Way.

AMENDED RIGHT OF WAY No. 2126

pp/te

Odegard Resources Inc., 3070 One Denver Place, 999 18th Street, Denver, CO 80202 has requested an amendment to include the following land in the above existing Right of Way:

Township 15½ South, Range 24 East, SLB&M
Section 35 Grand County

The fee for this amendment is \$4.50/rod @ 121.11 rods totaling \$545.00, plus a \$20.00 application fee totaling \$565.00 which has been submitted.

Upon recommendation of Mr. Pratt, the Director approved the above captioned amendment of Right of Way No. 2126.

GRAZING PERMITS

AMENDMENT OF ASSIGNMENT OF
GRAZING PERMIT NO. 19997

pp/te

Rita P. Bartell and Lawrence P. Bailey requested permission to assign 100% of their interest in Grazing Permit No. 19997 to R. Kedrick Somerville, Monticello, UT 84535 on May 25, 1979. An assignment of GP 19997 from Kedrick Somerville, to Marleen R. Somerville and Kedric Somerville, was approved on October 6, 1980, however, the original assignment from Bartell and Bailey to Kedric Somerville had not been submitted for the Director's approval. It is recommended that the original assignment from Rita B. Bartell and Lawrence P. Bailey to Kedric Somerville be approved and postdate to October 1, 1979.

Upon recommendation of Mr. Pratt, the Director approved the original assignment from Rita B. Bartell and Lawrence P. Bailey to Kedric Somerville with a postdate to October 1, 1979.

RIGHT OF WAY APPLICATION

RBW/te

RIGHT OF WAY NO. 2243

Utah Power and Light Company, P.O. Box 899, Salt Lake City, Utah 84110, has requested permission to construct an electric distribution line to serve the Dames and Moore Construction Company on the uranium tailings disposal program. The line is 320.3 rods long and 10 feet. five feet on either side, wide of the centerline, to wit:

Township 1 South, Range 11 West, SLB&M
Section 32: W½E½ Tooele County

Beginning on the North boundary line at a point nine feet east, more or less from the north ¼ corner of Section 32, Township 1 South, Range 11 West, SLB&M, thence South 0° 06' East 5284.9 feet to the South boundary line of said Section 32.

OCTOBER 19, 1981

RBW/gjc

RIGHT OF WAY NO. 2243 (continued)

The initial payment is \$5.00 per rod totaling \$1,606.50 plus a \$20.00 application fee for a total of \$1,626.50. There will also be a \$10.00 charge every third year beginning January 1, 1985. School Fund.

Upon recommendation of Mr. Wilcox, the Director approved the above captioned Right of Way.

RIGHT OF WAY NO. 2251

RBW/gjc

The Bolease Company, 2360 South 3270 West, Salt Lake City, Utah 84119 requests permission for an easement for a 1 1/2" water pipeline across the following described State Land:

Township 6 North, Range 19 West, SLB&M
Section 36 Salt Lake County

The water from this pipeline will be used in conjunction with GP 20658 for stock-watering purposes. There will be no initial fee, however, a \$20.00 application fee and a \$10.00 fee every third year beginning January 1, 1985 will be assessed. School fund.

Upon recommendation of Mr. Wilcox, the Director approved the above captioned Right of Way.

RIGHT OF ENTRY NO. 2241

RBW/gjc

Seismograph Service Corporation, P.O. Box 648, Kemmerer, Wyoming 83101, requests permission to conduct a seismic survey, shothole method, on the following State land:

Township 8 North, Range 8 East, SLB&M
Section: 16, 32 Rich County

Township 9 North, Range 7 East, SLB&M
Section 36 Rich County

Township 9 North, Range, 8 East, SLB&M
Section 32 Rich County

The fee for a seismic survey - shothole method, is \$20.00 per shothole. This survey involves 34 shotholes for an initial charge of \$680.00 plus a \$20.00 application fee for a total of \$700.00. School Fund. Expiration date of January 31, 1981.

Upon recommendation of Mr. Wilcox, the Director approved the above captioned Right of Entry.

CANCELLATION OF SPECIAL USE LEASE NO. 521

ASC

The Division of State Lands has received from Mr. Glen Gardner a request for cancellation of the above described SULA.

Upon recommendation of Mr. Carter, the Director approved the cancellation of SULA No. 521 with the \$20.00 application fee forfeited to the State.

OCTOBER 19, 1981

TIMBER APPLICATION

RAM

T/A #579

Martin R. Swenson, 740 West 450 North, Clearfield, Utah 84013, has requested permission to purchase 50 Single Needle Pinyon Christmas trees from the following described State Land:

Township 9 South, Range 3 West, SLB&M
Section 2: E 1/2 Utah County

Charge is \$3.15 per tree for 50 trees for a total of \$157.50 plus a \$10.00 application fee. School Fund. Expiration date: December 20, 1981.

Upon recommendation of Mr. Schen, the Director approved the above captioned timber application.

MINERAL LEASE REJECTED

RAM

Cities Service Company filed for Unit #224 on the recent Simultaneous Filing. The unit was for metalliferous minerals. The application is being rejected because the company filed on an Oil, Gas, and Hydrocarbon lease form. The application number assigned to this unit was ML 39486. It was the only bid.

Upon recommendation of Mr. Miller, the Director approved the rejection of the above captioned application.

INTEREST RATES

RAM

CURRENT RATE

YEAR AGO

Prime Rate
Federal Funds
Discount Rate

18.00
9.50
13.00

11.50
9.50
10.875

for Ralph A. Miles
WILLIAM R. DINEHART, DIRECTOR
DIVISION OF STATE LANDS/FORESTRY

Leslie M. Warner
LESLIE M. WARNER, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209